

Utah State Building Board



MEETING

April 26, 2000

MINUTES

On Wednesday, April 26, 2000, a regularly scheduled Utah State Building Board monthly meeting was held at the Utah State Capitol, Room 403. Chairman David Adams called the meeting to order at 9:05 a.m.

Utah State Building Board Members in attendance:

David Adams, Chair
Keith Stepan, Vice Chair
Chuck Canfield
R. Haze Hunter
Kay Waxman
Joseph Jenkins
Lynne Ward

Utah State Building Board Members excused:

Mary L.C. Flood

DFCM and Guests in attendance:

See "Attachment #1" for list of attendees

❑ DISCUSSION OF STRATEGY FOR LITIGATION (CLOSED SESSION)

MOTION: Kay Waxman motioned to move into executive session for the purpose of discussing strategy on litigation. The motion was seconded by Keith Stepan and passed unanimously.

MOTION: Joe Jenkins made a motion to move out of executive session. The motion was seconded by Kay Waxman and passed unanimously.

Mr. Jenkins announced the Building Board met regarding problems with a contractor on state projects and resolution on the satisfactory completion of projects, the payment of subcontractors, and other various problems.

MOTION: Joe Jenkins motioned for the Building Board to authorize the Director of DFCM to establish an inquiry for debarment for Granville Constructors and proceed forth through the hearing process, bearing in mind that at any time during the process, if negotiations can be handled outside of the debarment inquiry, that DFCM be authorized to proceed in that vein. The motion was seconded by Ms. Waxman.

After some discussion, the Board agreed to change the word 'authorize' to

The motion passed unanimously.

☐ RECOGNITION OF ADMINISTRATIVE ASSISTANT

Chairman David Adams began the public meeting by thanking the former Executive Secretary to the Building Board, Ms. Sylvia Haro, whom accepted a new position with the Olympic Coordinator for the State of Utah. Mr. Byfield has asked Ms. Shannon Lofgreen to assume the position of Executive Secretary to the Building Board.

MOTION: Haze Hunter moved to draft an appropriate resolution to be signed by the Building Board thanking Sylvia Haro for her service. The motion was seconded by Keith Stepan and passed unanimously.

☐ APPROVAL OF MINUTES

Chairman Adams expressed his desire to append the minutes of the public hearing to those of the regular meeting on March 15, 2000.

Joe Jenkins requested the transcript be reviewed to determine who seconded the motion to move into the closed session on March 15 and then corrected.

MOTION: Kay Waxman moved to approve the minutes from the Utah State Building Board meetings held on March 15, 2000 and March 23, 2000. The motion was seconded by Haze Hunter and passed unanimously.

❑ **ADMINISTRATIVE REPORTS**

University of Utah

John Huish indicated one new preliminary study contract from Eaton Mahoney Architects for the Emery Building Food Lab relocation project. The construction contract activity for the period consisted of two additional awards including one to Dale Stevens Construction for the completion of a bookstore and coffee center at the University of Utah Student Housing, and to Kendrick Brother Construction for the remodel on the Merrill Engineering Building. Both projects were bid and within budget.

Due to the season, some minor activity occurred on the project reserve fund and a summary of the improvement accounts indicated those projects appropriated, underway, or completed. All projects are operating within time and budget constraints. The summary of delegated projects represented 31 projects, totaling \$111,000,000.

Mr. Huish mentioned there has been talk of a second phase to the Huntsman Cancer Institute due to an additional \$160 million contribution. Site accommodations are being contemplated for the potential of the new building.

Mr. Huish corrected the amount of the East Campus Central Plant to \$13,193,030 with a scheduled completion date of June 1, 2000.

MOTION: Chuck Canfield moved to approve the delegated project report from the University of Utah. The motion was seconded by Keith Stepan and passed unanimously.

Utah State University

Jay Nielsen, Utah State University, presented a list of 35 delegated projects. He reported one new agreement for \$4,100 to perform geotechnical work on the Welcome Center at the American West Heritage Center. The contingency reserve

fund was reduced by \$31,400. There were no changes in the project reserve fund or new construction contracts to report.

Mr. Nielsen confirmed Utah State University and DFCM are cooperating to begin the design/build process and are quickly recruiting an on-site project manager for the infrastructure project. Mr. Byfield identified the project has been separated into two parts as the building of the central and the piping and tunneling. Demolition and site preparation and the selection of two design/build firms are needed to begin the process. Mr. Byfield felt that the entire infrastructure would be operational by the academic year beginning in fall of 2002.

MOTION: Motion was made by Haze Hunter to accept Utah State University's delegated project report. The motion was seconded by Kay Waxman and passed unanimously.

DFCM

Ken Nye of DFCM presented the administrative reports for the last month and indicated the critical information was contained within the Building Board packets. Mr. Nye indicated the project reserve fund received over an additional \$200,000 from construction bidding under budget.

Alyn Lunceford stated there were some developments on the DCED Third South and State Street lease, which have not had an adverse effect. The landlord filed for corporate reorganization in a California bankruptcy court in late January or early February and requested to be granted 180 days to establish a refinancing plan and a program to repay debt. That timeframe has not yet expired. During that timeframe, the landlord approached DFCM and sought relief from the \$15,000-a-month penalty for not providing parking. DFCM declined to participate because they did not feel the landlord would be associated with the building long enough for them to recuperate any lost money. DFCM is continuing to reduce the rent by \$15,000 per month, which is advantageous. DFCM expects to hear a further development when papers are filed in the California bankruptcy court.

MOTION: Keith Stepan moved to accept DFCM's administrative report. The motion was seconded by Haze Hunter and passed unanimously.

☐ **Jordan School District Delegation Request**

Richard Byfield acknowledged Jordan School District's request for delegation for the construction of a 40,000 square foot building at the Salt Lake Community College South Jordan campus for the Jordan School District for use by the ATE program. This is a non-State-funded facility and will not require State maintenance or improvement. Construction is permitted by statute pursuant to a request by the Jordan School District. DFCM would like to review the proposal in context of the master plan, but supports the delegation.

Mr. Nye mentioned statutes were amended last session to clarify the Building Board's authority to delegate the management of projects to non-State entities. This clarification grants the Building Board the authority to delegate the responsibility for the building to the Jordan School District. This project was approved by the State Legislature to be built on the South Jordan Campus and Jordan School District has demonstrated the capability to build the project with a very large construction program including staff qualified to manage and inspect the program.

Mr. Jenkins offered that he had no problem with the delegation, but questioned the liability on building a project on State property. Mr. Nye replied that there is a lease agreement between Salt Lake Community College and the Jordan School District, whereby the College is leasing the land to the school district. The 75-year lease agreement addresses all liability issues, including ingress and egress issues, which should be the life cycle of the building. There is an opportunity to extend the lease beyond 75 years, however, if that opportunity is not taken, the building becomes the property of Salt Lake Community College.

Mr. Rhodes indicated it is Jordan School District's responsibility to provide deferred maintenance and O & M on the structure. He also disclosed the potential construction budget has not been discussed between Salt Lake Community College and the Jordan School District.

Mr. Rhodes affirmed that Salt Lake Community College is placing a centralized heating system, including a centralized boiler and chiller, on the campus. The main chiller/boiler building located at the extreme north end of the campus instead of a central location due to all other major utilities link to the campus and it is the closest access point. The master plan places the center of the property at the hub of the campus. The logic flow in terms of construction is to start from north and build southward.

MOTION: Joe Jenkins moved to delegate to the Jordan School District to design and construct an ATE facility on the Salt Lake

Community College South Jordan Campus acknowledging DFCM seeks input on design and compliance with the master plan. The motion was seconded by Haze Hunter and passed unanimously.

Mr. Bachman clarified that there would be a delegation agreement between DFCM and the Jordan School District. Mr. Bachman affirmed he would incorporate provisions for any needs for indemnification or quality of inspection.

❑ CAPITAL IMPROVEMENT ALLOCATION

Jack Quintana stated the Building Board assigned DFCM the responsibility to research what the industry was doing with capital needs assessment and funding. DFCM has relied substantially on the associations of Higher Education for input and researched four current methods of which two were determined exemplary. The two most prominent were an annual funding needs assessment and the LDS Church's capital improvement program.

In the future, DFCM will take the current value of the buildings and calculate a formula base of the amount to be set aside. The information will be assigned to an administrative body, which will make the assessments as needed. DFCM has determined setting base preventive maintenance standards for all buildings in order to get the 100% compliance in the program underway. This will allow the practice of auditing facilities' preventive-maintenance program and publishing low scores to the facilities. DFCM will have assessments for Higher Education within the next 18 months and intends requesting an additional \$900,000 to complete the assessments.

Another asset developing within DFCM is the IFMIS program. It is a massive automated program housing information of facilities and is estimated to require an additional \$342,000 to sustain the efforts and complete the project. DFCM was successful in seeking the recommend from Mr. Walthers to be allowed to transfer \$50,000 from project reserve funds to assist them in completing the paperwork to represent all construction projects to date.

Kevin Walthers provided an executive summary on his work in developing a methodology for handling deferred maintenance by referring to the 2000-2001 Appropriations Report. He indicated page two displayed information on maintenance definitions. He also referred to a report he issued to the Executive

Appropriations Committee last summer.

Mr. Walthers began the research for his report by reading textbooks for facilities management. They delineated four kinds of maintenance: repair maintenance, planned/preventative maintenance, predictive maintenance, and deferred maintenance. What the State calls deferred maintenance the textbooks called 'backlog.' According to the textbooks, deferred maintenance included things that were intentionally not done, and defined some legitimate reasons for not doing maintenance immediately. Mr. Walthers proposed to come up with common definitions so that all agencies shared a common knowledge.

Mr. Walthers indicated page nine of the report displayed a table showing capital improvement funding for the last seven years. Before 1997, the Legislature used capital improvement money as a balancing tool. At the end of the year, funding for special projects was assessed, money allocated to the projects, and the remainder went into capital improvement. With the idea the State has \$400 million in backlog, it has only been four years since large sums were applied to capital improvement projects. This year, the contribution will be \$37 million.

Page 14 indicated several recommendations for the Legislature, of which Mr. Walthers recommended numbers one, two, three, six, and seven in his report. Page 16 indicated recommendations for DFCM. Mr. Walthers believed that DFCM should be more active in its role of state building manager in order to ensure that basic maintenance levels are maintained in each building. The O & M funding increase should be tied to the agencies that can document how much they spend on O & M. Mr. Walthers and Dan Olsen have been working with accounting staff to establish separate accounting codes for operation and maintenance.

Mr. Quintana commented the GAO study indicated a 6% of replacement value for deferred maintenance and O & M. He referred to Mr. Walthers' recommendation to adopt a standard definition of what is included in terms of ongoing maintenance, capital replacement and repair, and adjustments made to a facility for programmatic reasons. Initial recommendations in the GAO study go back to the LDS Church's experience in 1981. They recognized that, on an ongoing basis, they should be setting aside 6.25% of their capital replacement value, but had not done a thorough job of following through in the past. Industry recommends the figure be doubled for a five-year period to catch up. The LDS Church did catch up, but invested a lot of trust with the administrative agencies in charge of facilities maintenance. There was an invested culture on the part of the facilities staff to make the buildings live as long as they could. They were able to reduce the figure

to 5% to sustain the initiative. Mr. Quintana did not think DFCM had the machinery to manage a catch-up over a five-year period.

Mr. Byfield mentioned he would like legislation to model the concept of trust and long-term management. Mr. Christensen's presentation indicated what was funded on a regular basis did not have to be spent, allowing funding to be available to complete projects. A significant issue for capital management is for the funding to be on-going, but problems must be addressed on an as-needed or as-scheduled basis rather than waiting two or three years to accumulate the money to solve a problem.

Chairman Adams suggested DFCM provide accurate information from the customers to the FME database, allowing the real capital needs for buildings in the State inventory to be addressed. He also mentioned the Building Board would be undertaking a discussion to analyze the need for new construction. He recalled the Building Board's decision last year not to recommend any new buildings except replacements and major renovations and apologized for the upset it may have caused among its customers. The Building Board is attempting to adapt a clearer policy in order to allow customers to know the Building Board's priorities of new construction and capital improvement.

Chairman Adams requested Kevin Walthers identify the Legislature's direction regarding capital development funding. Mr. Walthers stated the statute defines an improvement project as anything less than \$1,000,000 and a development project as anything over \$1,000,000. Mr. Nye verified that statute allows existing square footage to be replaced up to \$1,000,000 and new square footage to be constructed for less than \$250,000. Capital development projects can alleviate a maintenance backlog. Mr. Walthers cited the Utah State University Heat Plant, the Rampton Building at the State Hospital, the Ogden-Weber ATC Building, Logan Courts, and Dixie Fine Arts as project approved to eliminate buildings with large maintenance backlogs.

Chairman Adams noted on the chart demonstrating debt service, he doubts that future legislators will have the conviction to use those funds for State building purposes as opposed to other needs. He wishes to redefine what customers should expect from the Building Board in the process of bringing new buildings to construction. Mr. Walthers commented that Legislators on the Capital Facilities Committee expressed concern the Board was spending too much time worrying how to finance projects. The Capital Facilities Committee would like to see recommendations come from the Building Board, including essentially a five-year

plan. The Legislature wants to be able to figure out how to pay for the recommendations. The Legislators rightly feel that they are responsible for funding.

Chairman Adams offered conflict comes when the Building Board talks to their customers. If there is no hope for finance in a given year, customers are less likely to go through the effort of analyzing their capital development needs for the Building Board's use. Mr. Walthers replied no one from the State Office of Education had ever contacted him to inform him of the poor conditions of a building they are leasing in the Sugarhouse area, which should have been on the Legislators' list.

Chairman Adams conceded customers must bring the conditions of their buildings to the Building Board's attention. There is a concern the customers will be reluctant to inform the Building Board if they do not feel like there is an opportunity for funding. The executive and legislative branches should develop a policy allowing them both to know how to proceed.

Ms. Ward mentioned certain items must be addressed within the respective agencies. She also asked customers to understand the Building Board did not have an infinite ability to fund requests. The Building Board did not dismiss projects for not being critical, but rather not being able to fund the request. The Building Board did not feel there were adequate funds last year under any scenario to carry forth what the Building Board determined high priorities. The customers were not made aware of the problem until the end of the process, but will be informed of funding availability up front in the future.

Mr. Walthers cited the Governor's budget did not include any new construction, but did include AR&I money. Mr. Walthers believes perhaps the Legislature will have to bond next year, which is a better position than last year when, in a caucus, \$50,000,000 was the random number chosen as the amount the legislature would bond for without analyzing building needs or debt service. There are increased options next year allowing the Building Board to lobby for increased spending. Mr. Walthers foresees \$110,000,000 to be dedicated to facilities in the next three years.

Ms. Ward said the Legislature must set aside more money out of existing funds or new revenue, otherwise the State would have to bond next year and subsequent years. Also, the Legislature removed \$13,400,000 from the base budget for spending on capital developments and allocated to public education. Mr. Walthers indicated the chart assumes the \$13,400,000 is restored.

DFCM recommended a redirection of previous capital improvement dollars and would like to redirect funding in the Parks miscellaneous projects account toward the ranger residences at Dead Horse Point, Goblin Valley, and Bear Lake. Secondly, DFCM would like to redirect the prison fencing money to the open space archaeological mitigation settlement that was discussed in the Executive Session.

Ken Nye addressed the projects where funds are being redirected. Chairman Adams asked the Building Board if it was opposed to the reallocation of funds.

MOTION: Chuck Canfield motioned to redirect funds. The motion was seconded by Keith Stepan and passed unanimously.

Chairman Adams indicated there was also an issue to redirect \$50,000 from prison property fencing funds to the open-space archaeological mitigation problem at the Point of the Mountain.

Motion: Haze Hunter moved to authorize the reallocation of prison property funds. The motion was seconded by Keith Stepan and passed unanimously.

Mr. Beers presented DFCM's recommendation for the allocation of the DFY2001 capital improvement funds. This year is the first year that needs assessment forms were included as part of the capital improvement process. In the previous process, the agencies and institutions submitted their capital improvement requests to DFCM. Last fall, 10-20% of submitting agencies had needs assessments conducted on their facilities. The number was small, but it was a beginning for need assessments to form the foundation for capital improvements. He identified after the \$100,000,000 worth of need assessments and the requests were submitted to DFCM, each project was analyzed and Mr. Beers visited 85-90% of the submitted projects. DFCM management and program directors evaluated each of the projects requested and helped to develop a cost estimate for the projects as well as developed their current recommendations. DFCM has discussed their recommendations with the respective agencies, and Mr. Beers was not aware of any objections being made to the recommendations.

Mr. Tarbox from the Utah State Board of Regents mentioned his appreciation to DFCM. The Board of Regents feels like it has been treated fairly during the prioritization process. Chairman Adams thanked Mr. Tarbox and sought other commentary.

Mr. Jenkins expressed his concern regarding the Scott Matheson Courthouse and the parking structure leaking and causing problems to vehicles on the bottom level.

Mr. Byfield responded the Matheson Courthouse was a design/build project and, in the course of the design, many items were discussed and eliminated to stay within budget. One of the items presented was the waterproofing of the floor, which was deemed non-important in contrast with other needs. After the occupancy, it was determined there is a top priority to waterproof the floor due to the cracking and porous concrete. From the standpoint of responsibility on the design/build team, this issue was raised early on in the design process, however the State chose not to use it as a priority.

Mr. Byfield continued that only half of the waterproofing project would be undertaken. The second half of the project will possibly be completed by next year.

He felt it was important to learn of the cost and find out how successful it will be before completing the project. Mr. Byfield mentioned a design/build process includes many issues being undertaken and higher priorities are evaluated through the project. It was decided that waterproofing the parking garage was not a high priority. From the tenant's perspective, they wish they had taken care of the waterproofing. Mr. Jenkins questioned the "patchwork funding" being more costly in the long run.

Ms. Ward felt the Building Board should not fund public transportation projects out of AR&I because the source of the funding comes out of the general fund and schools funds. UDOT has a separate source of funding, from gas taxes and registration fees. Any renovation or AR&I projects should be paid for out of transportation funds and not general funds. She does not want to make a motion binding for this year, because of the amount of money and the new fiscal year is starting too soon to provide UDOT with adequate notice.

MOTION: Lynne Ward moved that FY 2001 be the last year that the UDOT projects be funded with AR&I money. The motion was seconded by Keith Stepan.

Bill Juscak, a representative from UDOT approached the Building Board for comment and stated this issue had been pursued before. The AR&I fund is set up by building inventory and DFCM previously indicated UDOT was entitled to the fund.

Mr. Juscak felt UDOT could exclude its building inventory from the funding, but also felt it was an unfair assessment to eliminate UDOT from AR&I fund privileges and is concerned their buildings will fall further into disrepair.

UDOT was allocated \$1,800,000 to maintain 177 buildings this fiscal year. Most of the buildings are small, but the half-million allocated toward roofing will go towards maintenance. UDOT has had similar difficulties getting facilities and improvement dollars. The formula for getting the minimum required amount for capital improvements included all state buildings, with the exception of auxiliary buildings, of which many are UDOT's. The statute uses this method to compute the minimum amount to be included in capital funding. Ms. Ward recognized UDOT buildings are included in the formula, however a funding source is missing.

MOTION: Keith Stepan made a substitute motion to approve existing UDOT funding for this year but to ask DFCM for an evaluation to reconsider funding for next year. The motion was seconded by Haze Hunter and passed unanimously.

Mr. Juszczak requested further discussion on this issue at a later Building Board meeting to allow UDOT leadership to provide input.

Mr. Walthers noted calculated O&M budgets for each agency was defined within his report. According to UDOT, their O&M budget for last year was \$2,500,000. He will further investigate the \$700,000 difference.

Mr. Quintana mentioned this is the first year DFCM is gaining constructive participation on the part of UDOT in moving toward an awareness of the importance of maintaining a preventive maintenance program.

MOTION: Keith Stepan moved that the Building Board approve the recommendations of DFCM. The motion was seconded by Lynne Ward and passed unanimously.

Mr. Beers referred the Building Board to another information sheet displaying the percentage of funds given to higher education, public education, and state agencies. It disclosed the amount of the pool to which each group contributes and the amount of funding DFCM has allocated to each group. On the back of that sheet, it demonstrated a five-year history of funding by each state agency and each institution of public and higher education.

❑ FAIRPARK MASTER PLAN AND NEW MULTI-PURPOSE FACILITY

Chairman Adams reminded the Board of the revenue bond the Fairpark received from the Legislature for \$10,500,000 to build a new facility and explained it was the desire of the Building Board to continue the Fairpark's construction and management plan. The Governor has expressed a concern for resolution, which the Building Board ascertains the pro forma rents and leases of the proposed facility and the sufficient amount to debt-service the bond. The Building Board must determine if there is sufficient lease revenue to underwrite the bond.

Ms. Dahl mentioned the Fairpark Board hoped free enterprise could have funded the projects. After approaching the Legislature in 1999 for input regarding the Fairpark master plan, the Executive Appropriations Committee requested a feasibility study to be conducted and transferred \$100,000 from DFCM to DCED to conduct the study. By that time, the Science Center was denied due to lack of funding and the Fairpark Board was forced to cancel the lease. After the Appropriations Committee approved the study, the Fairpark Board requested authorization from the Senate leadership to expand the study to recommend another anchor at the fair. The Fairpark Board intended to share the results with the Building Board, but they did not receive a preliminary copy of the study until the session was over. The Fairpark Board has expressed their intent to DFCM staff and is aware they need to develop a pro forma proving the effectiveness of their new anchor. The Fairpark Board has yet to determine a footprint for the building and establish rental rates. It is Ms. Dahl's desire to hire a full-time person to market the building to put leases in place. Chairman Adams mentioned the business plan should identify the organizations with potential interest in leasing the facility from time to time over several years. Ms. Dahl mentioned she has preliminary contracts in place to begin programming, but cited difficulty in being able to sell the facility until they determined a footprint and rents.

Chairman Adams mentioned the Building Board's diligence requires knowing organizations desired to come to Salt Lake City for annual tournaments and events and requested letters toward that intent. The Building Board would like a thorough marketing evaluation by an independent third party as to the feasibility of leasing the facility.

Mr. Byfield informed the Board there is a question about programming the multi-purpose facility. It will be available for Fairpark use, but courts need to be designed to meet the criteria of athletic organization standards.

MOTION: Joe Jenkins moved to make the balance in the Fairpark masterplan account available to Governors Office of Planning

and Budget to conduct an independent marketing evaluation. The motion was seconded by Kay Waxman and passed unanimously.

❑ NATIONAL GUARD PROJECTS AND PROPERTY TRANSACTIONS

Chairman Adams previously met with the Armory Board and the Governor on March 13, and witnessed General Miller's presentation on the disposition of some armory property and the consolidation of those funds along with a Federal funding commitment towards the construction of new facilities at Camp Williams.

Colonel Wilson identified many issues were discussed at the Armory Board meeting last month, including the just-completed Unaccompanied Officers' Quarters which was allocated \$500,000 of federal funds.

The Utah National Guard has several projects for which they are seeking federal funding. Congressman Hansen's office marked two projects on their list including: 1) \$4,100,000 for a 100-person Basic Officers' Quarters for the regional training center at Camp Williams; 2) The American Fork Armory for which the legislature approved \$1,600,000, and the City of American Fork will provide 5 acres of property, requiring an additional \$4,500,000 to complete the project. The Utah National Guard has made requests to the Building Board and the Legislature to remodel and add onto the Vernal Armory, at a cost of \$2,600,000. There is a request from the county to use those funds to trade the property for five acres, which could provide for the National Guard at an airport. There is also a preliminary request at the Lehi Armory from Kohler's Market Associated Food to trade the facility for a new facility. The school adjacent to the Springville Armory also approached the National Guard to determine if it could be utilized for classroom facilities, which the Guard would like to assist in funding improvements for possible joint use.

The Armory Board also reviewed the sale of the Salt Lake facilities, from which they received \$8,100,000. It was a great opportunity for the National Guard to leave facilities whose maintenance requirement was \$3,400,000 over the next ten years.

Since hiring an architect for the Camp Williams project, Federal agencies have approached the Utah National Guard for enhancing the building for their use. There is an additional request to Congress for \$2,500,000 to add on for a joint language use facility. The Utah National Guard has secured an additional \$1,500,000 from the Federal Government during the fiscal year of construction and through

miscellaneous sales and appropriations, the National Guard will be bidding the facility for \$11.1 million - \$13.5 million.

The issues requiring the Building Board's concurrence are at Camp Williams and include approval to build a \$1,500,000 housing complex and a \$500,000 classroom addition to the Regional Training Center. These facilities are 100% designed and constructed with federal funds and the operation and maintenance of the facilities as well. The Utah National Guard requested the Board's approval to proceed quickly. Chairman Adams mentioned these two projects required the Building Board's oversight for design and construction and they were not distributed written information to the meeting. He clarified the Board would need to read the proposal and discuss the issues before making a concurrence since statute requires the Building Board to approve all non-state funded projects, however it was not their intent to delay the project.

David McKay, DFCM's liaison to the Utah National Guard, stated that the intent of this meeting is to secure the Building Board's permission in lieu of legislative approval for additional square footage in direct reference to HB 292. The National Guard has presented its case to proceed, and are at the stage of initial project development. The architect is in the process of being selected, as DFCM understands it can select an architect without Building Board approval, since construction funds are not yet available. The total budget for design and construction is not to exceed \$1,500,000. The National Guard will seek approval when the design is worked out. Previously, the Utah National Guard added another project to their request, a \$500,000 classroom that adds to the Regional Training Center for Region V, and the classroom addition would have to comply, as they have indicated they will. Larry Lunt assured the Board that all costs for the initial construction of these facilities as well as the future O & M and improvements will come from the Federal Government.

MOTION: Chuck Canfield moved to approve the development of two additional Federally-funded buildings at Camp Williams: a dormitory and a classroom building, subject to appropriate review by DFCM of the Utah State Code pertaining to the Building Board's responsibility. The motion was seconded by Kay Waxman and passed unanimously.

Mr. Bachman suggested DFCM insert an information item in the next Building Board packet to update the project status.

Chairman Adams noted the Building Board is uncomfortable with fast-track approval of projects and implored the Board would prefer advance notice on these proposals. He also stated the Building Board would even hold an extraordinary meeting to handle such a request.

❑ **CAPITAL DEVELOPMENT PRIORITIZATION PROCESS**

Chairman Adams addressed items pertaining to prioritization and establishing policy for the Capital Development process. He suggested a meeting in May to allow the Building Board to review its position pertaining to the on-going capital development hearings and how they can relate to the information received from Mr. Quintana and Mr. Walthers. This would also allow customers to have clear communication as to the direction anticipated by the Building Board. The Board decided to hold a meeting on the morning of May 18, 2000 to address this issue.

Although the Legislature is displeased the Building Board is considering funding; Chairman Adams cautioned it was a good business approach. He felt the more credible the Building Board can be by providing information on proposed projects and improvements needed on existing facilities, the more successful their recommendations. The Building Board initially wishes to improve their assessment of the State's needs and establish a joint understanding on prioritization.

Chairman Adams addressed the Building Board's previous discussion regarding mainstreaming state buildings to reduce the potential cost of buildings. The Building Board will study the issue and make a recommendation on every new or replacement building appearing before the Building Board as to whether it should be determined standard or non-standard. A standard building would be constructed within the same cost constraints found in the private sector. A non-standard building would be one with significant requirements, such as an R&D facility, a medical school, or a chemistry lab. This would allow the Building Board to direct all new construction within a range of costs similar to the private sector.

❑ **PERFORMANCE BASED PROCUREMENT**

Joe Jenkins was identified as the Chair for the Performance Based Procurement task force. He intends to hold a meeting biweekly in an attempt to conclude within six to eight weeks and present the proposed policy to the Building Board. In the

meantime, some of the critical projects will move forward and award contracts under the Performance Based Procurement System (PBPS).

Chairman Adams said Mr. Byfield requested proceeding with PBPS on the construction elements only until a determination by the task force is made and asked if the Board had any objections. No one showed any objection to allowing construction projects to proceed.

Board members were encouraged to view the meeting immediately following the Board meeting although the task force will act independently in order to allow the Board to act formally on the recommendation. Public notices will be issued allowing the architect and engineer communities involvement.

❑ ADJOURNMENT.....

The Utah State Building Board meeting adjourned at 12:55 p.m.

Minutes prepared by: Shannon Lofgreen

Utah State Building Board Meeting

Attendance Roster

April 26, 2000

<u>Name</u>	<u>Affiliation</u>
Raylene Ireland	DAS
Kevin Walthers	Legislative Fiscal Analyst
Dan Olsen	Governors Office of Planning & Budget
Jack Quintana	DFCM
Robert Woodhead	DFCM
Alan Bachman	DFCM
Shannon Lofgreen	DFCM
Ricy Jones	DFCM
Blake Court	DFCM
Ken Nye	DFCM
Kenneth Adlam	AIA
Karen Bliss	CEU
John M. Dennis	Ogden/Weber ATC
Doug Lukes	DWR
Kim Wixon	DOH
Dave Maw	State Parks
Gary Thorson	State Parks
Bart Hopkin	DHS
Gary Adams	DWS
John Misel	DWS
Matt Branham	DEH
O.D. Hall	Richardson Partnership Design
Donna Dahl	Fairpark
Richard F. Abbott	Fairpark
Brent Petersen	Davis ATC
Rick Brown	UCI
LTC Peter Wilson	Utah National Guard
Major Lawrence A. Schmidt	Utah National Guard
Larry Lunt	Utah National Guard
Michael Wollenzein	USOR
Bill Juszczak	UDOT
Brent Robert	UVSC
Gordon Bissegger	Courts
Dennis Geary	CEU
Daniel Kohler	Daniel Kohler Architects
Wayne Kull	OLAG
Rob Bedeman	UMCA
Dave Cowley	USU
Jay Nielsen	USU
Darrell Hart	USU
Ned Carnahan	Dixie College
Craig Peterson	CECU